

Green Mountain Care Board
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DELIVERED ELECTRONICALLY

November 9, 2016

Wake Robin Corp.
200 Wake Robin Drive
Shelburne, VT 05482

RE: Docket No. GMCB-024-15con, Proposed Renovation of Skilled Nursing Facility and Addition of Six Rooms, Project Cost: \$8,170,130.

Dear Mr. McKee:

Thank you for the application you submitted in reference to the above referenced project. To complete the review of your application, responses to the following questions are required.

1. Confirm whether the six additional skilled nursing facility (SNF) beds/rooms will be Medicare certified. Of the 39 bed total, specify the number that will be Medicare certified after the project is completed.
2. Confirm whether the cost associated with the additional staffing reflected on Table 9 is reflected in the financial tables submitted.
3. (Tab 13) Assumptions indicate that with the six additional skilled nursing facility beds/rooms, the occupancy rate is projected to be 73% from 2020 forward. This means that approximately 29 of the 39 beds/rooms will be occupied. Explain why the six additional beds are needed. If there is unused capacity do you plan to accept individuals from outside of the Wake Robin community.
4. In addition, projections show losses of more than \$800,000 annually in year 2 (2019) through year 8 (2025). Explain the reasons and justifications for the annual losses. Explain how these annual losses will be made up.
5. Provide the daily nursing hours per patient day used throughout the proforma by position.
6. Explain why no dollars are reflected on Table 6B for Medicare. If in error, please revise and resubmit 6B and any other related financial tables that do not reflect projected Medicare revenues.



7. Confirm whether Medicare beneficiary stays are included in the proforma. If yes, provide the number of days and the average length of stay shown in the proforma for each year 2019-2025.
8. For 2019-2025, specify the number of projected admissions per year, per payer.
9. Confirm whether the Medicare Net Patient Service Revenue includes the Sequestration Adjustment of 2%.
10. Explain the difference between the expense categories titled Therapy Services and Ancillary Expenses and what is covered in each.
11. Revenue is calculated as the number of beds occupied by the “average monthly fee”. Specify the average monthly fee and how it is calculated and applied in each year 2019-2025.
12. Explain the positions/designations/departments included in the Health Services expense account.
13. (Tab 14) Explain how the property taxes, depreciation and amortization, and interest expenses are allocated to the SNF. The expense assumptions indicate 10.3% will be allocated to the SNF. Does the proforma include a 10.3% allocation to the SNF or was a direct allocation methodology used? Please explain.
14. (Table 14) The expense allocations do not appear to agree with the expense assumptions disclosure within that tab. Please explain.
15. Explain how the LifeCare revenue is calculated for a resident stay.
16. Explain the Bad Debt and Accounts Receivable Allowance amounts and calculation methodologies are used in the proforma.

In responding, please restate the question in bold font and respond in unbolded font. Please send the original and two hard copies (three-hole punch one hard copy) with the Verification Under Oath to me at the Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620. Also send an identical electronic PDF copy to donna.jerry@vermont.gov

If you have any questions, please do not hesitate to contact me at 802-828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry

Senior Health Policy Analyst

